



LIMPOPO  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
CO-OPERATIVE GOVERNANCE,  
HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS

SBD1

PART A  
INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>			
BID NUMBER:	COGHSTAB14-2024/25FY	CLOSING DATE:	08 NOVEMBER 2024
		CLOSING TIME:	11H00
DESCRIPTION	THE APPOINTMENT OF SERVICE PROVIDER FOR THE ESTABLISHMENT OF PANEL OF EIGHT (08) SERVICE PROVIDERS TO PROVIDE TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF THREE (03) YEARS.		
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)			
20 RABE STREET			
HENSA TOWERS			
POLOKWANE			
0699			
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>		<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>	
CONTACT PERSON	MASEMOLA SS	CONTACT PERSON	PHIRI JM
TELEPHONE NUMBER	015 294-2024	TELEPHONE NUMBER	015 294 2041
E-MAIL ADDRESS	masebola.selby@limpopo.gov.za	E-MAIL ADDRESS	phirijm@coghsta.limpopo.gov.za
<b>SUPPLIER INFORMATION</b>			
NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE	NUMBER	
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE	NUMBER	
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:	OR	CENTRAL SUPPLIER DATABASE No: MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>			
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.			



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**PART B**  
**TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
2.1. BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2. BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3. APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4. BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5. IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED: EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6. WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

(Proof of authority must be submitted e.g. company resolution)

DATE: .....

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**PRICING SCHEDULE**  
(Professional Services)

SBD 3.3

NAME OF BIDDER: .....	BID NO.: COGHSTA B14 2024-25FY.....
CLOSING TIME 11:00	CLOSING DATE: 08 NOVEMBER 2024

OFFER TO BE VALID FOR **240** DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
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1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION

HOURLY RATE

DAILY RATE

R.....	.....
R.....	.....
R.....	.....
R.....	.....
R.....	.....

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED. COST PER PHASE AND MAN-DAYS TO BE SPENT

R.....	..... days
R.....	..... days
R.....	..... days
R.....	..... days

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED

RATE

QUANTITY

AMOUNT

.....	.....	R.....
.....	.....	R.....
.....	.....	R.....
.....	.....	R.....

TOTAL: R.....

3

Name of Bidder: .....

\*\* "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies.

- 5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....

TOTAL: R.....

6. Period required for commencement with project after acceptance of bid  
.....
7. Estimated man-days for completion of project  
.....
8. Are the rates quoted firm for the full period of contract?  
\*YES/NO
9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.  
.....  
.....  
.....

\*(DELETE IF NOT APPLICABLE)

Any enquiries regarding bidding procedures may be directed to the –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON):

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**BIDDER'S DISCLOSURE****1. PURPOSE OF THE FORM**

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

**2. Bidder's declaration**

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

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2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....  
 .....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....  
 .....

### 3. DECLARATION

I, the undersigned,  
 (name)..... in submitting  
 the accompanying bid, do hereby make the following statements that I certify to  
 be true and complete in every respect:

- 3.1 I have read, and I understand the contents of this disclosure.
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect.
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement, or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

- 3.5 There have been no consultations, communications, agreements, or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

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**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2022**

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

**1. GENERAL CONDITIONS**

- 1.1 The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
  - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state:

- a) The applicable preference point system for this tender is the \_\_\_\_\_ preference point system.

- 1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and  
(b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

<b>PRICE</b>	<b>80</b>
<b>SPECIFIC GOALS</b>	<b>20</b>
<b>Total points for Price and SPECIFIC GOALS</b>	

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

**2. DEFINITIONS**

- (a) "tender" means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations.

competitive tendering process or any other method envisaged in legislation;

- (b) "price" means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) "rand value" means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) "tender for income-generating contracts" means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) "the Act" means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

### 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

#### 3.1. POINTS AWARDED FOR PRICE

##### 3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20 or 90/10

$$Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right) \text{ or } Ps = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

#### 3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

##### 3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20 or 90/10

$$Ps = 80 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } Ps = 90 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmax = Price of highest acceptable tender

### 4. POINTS AWARDED FOR SPECIFIC GOALS

#### 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement

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Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below. (Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)**

**Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)**

The specific goals allocated points in terms of this tender		Number of points claimed (80/20 system) (To be completed by the tenderer)
Limpopo Province- Latest (not older than three months) Municipal Account/Traditional Council letter	6	
Black people -Valid Sworn Affidavit	2	
Youth - Certify ID copy (not older than six months)	4	
Persons with Disability (Verification letter from a medical practitioner indicating the practice number)	2	
Women - Certified ID copy (not older than six months)	4	
SMME's (Company Registration)	2	
<b>TOTAL</b>	<b>20</b>	

#### DECLARATION WITH REGARD TO COMPANY/FIRM

- 4.3. Name of company/firm.....
- 4.4. Company registration number: .....

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4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium  
☐ One-person business/sole propriety  
☐ Close corporation  
☐ Public Company  
☐ Personal Liability Company  
☐ (Pty) Limited  
☐ Non-Profit Company  
☐ State Owned Company  
[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:	.....
DATE:	.....
ADDRESS:	.....
	.....

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DEPARTMENT OF  
CO-OPERATIVE GOVERNANCE,  
HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS

# TERMS OF REFERENCE

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FOR THE APPOINTMENT OF SERVICE PROVIDER  
FOR THE ESTABLISHMENT OF PANEL OF EIGHT  
(8) SERVICE PROVIDERS TO PROVIDE TRAVEL  
MANAGEMENT SERVICES FOR A PERIOD OF  
THREE (3) YEARS.

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**TERMS OF REFERENCE FOR THE APPOINTMENT OF SERVICE PROVIDER FOR THE ESTABLISHMENT OF PANEL OF EIGHT (8) SERVICE PROVIDERS TO PROVIDE TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF THREE (3) YEARS.**

**1. OBJECTIVE**

1.1. The objective (aim) of this tender is:

1.1.1. To invite bids from suitable service provider(s) to form a panel of eight (8) service providers to provide Travel Management Services to the Department of Co-Operative Governance, Human Settlements and Traditional Affairs (CoGHSTA) for a period of thirty-six (36) months.

**2. BACKGROUND**

- 2.1. CoGHSTA was participating in the Transversal Travel Management Contract arranged by Limpopo Provincial Treasury which expired at the end of November 2023.
- 2.2. CoGHSTA consist of Head Office, District Offices and Traditional Councils around Limpopo Province. Traveling takes place within the provinces, outside the province and internationally.
- 2.3. The travel requisition process is currently a traditional process. The Department sends travel request with detailed specifications to the nominated Travel Management Companies (TMCs). The TMCs then source quotations and then forward them to the Department. The Department then evaluates quotations and appoint the TMC with the highest points on price and specific goals and issues a purchase order to enable the appointed TMC to make the booking arrangement and issue voucher to the traveller.
- 2.4. CoGHSTA requires a TMC to provide travel services that are consistent and reliable and will maintain a high level of traveller satisfaction in line with the service levels.
- 2.5. The TMC should be able to achieve significant cost savings for CoGHSTA without any degradation in the services and appropriately contain the risk pertaining to both the Department and traveller.

**3. SCOPE AND EXTENT OF THE TENDER**

**3.1. Definitions**

<b>Accommodation</b>	means the rental of lodging facilities while away from one's place of abode, but on authorised official duty.
<b>After-hours service</b>	refers to the travel request that is actioned Monday to Friday from 17h00 to 07h30 and twenty-four (24) hours on weekends and Public Holidays.
<b>Air travel</b>	means travel by airline on authorised official business.

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<b>Authorising Official</b>	means the employee who has been delegated to authorise travel in respect of travel requests and expenses, e.g., line manager.
<b>Car Rental</b>	means the rental of a vehicle for a short period of time by a traveller for official purposes.
<b>Department</b>	means Limpopo Department of CoGHSTA which requires the provision of travel management services.
<b>Domestic travel</b>	means travel within the borders of the Republic of South Africa.
<b>Emergency service</b>	means the booking of travel when unforeseen circumstances necessitate an unplanned trip or a diversion from original planned trip.
<b>Group booking</b>	refers to travel booking of more than one traveller. It does not constitute a conferencing and it does not attract conferencing transaction fee.
<b>International travel</b>	refers to travel outside the borders of the Republic of South Africa.
<b>Management Fee</b>	is the fixed negotiated fee payable to the Travel Management Company (TMC) in monthly instalments for the delivery of travel management services, excluding any indirect service fee not included in the management fee structure (visa, refund, frequent flyer tickets etc.).
<b>Merchant Fees</b>	are fees charged by the lodge card company at the point of sale for bill back charges for ground arrangements.
<b>Quality Management System</b>	means a collection of business processes focused on consistently meeting customer requirements and enhancing their satisfaction. It is expressed as the organizational structure, policies, procedures, processes, and resources needed to implement quality management.
<b>Regional travel</b>	means travel across the border of South Africa to any of the SADC Countries, namely, Angola, Botswana, Democratic Republic of Congo (DRC), Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, Swaziland, United Republic of Tanzania, Zambia, and Zimbabwe.
<b>Service Level Agreement (SLA)</b>	is a contract between the TMC and CoGHSTA that defines the level of service expected from the TMC.
<b>Shuttle / transfer Service</b>	means the service offered to transfer a traveller from one point to another, for example from place of work to the airport.
<b>Third party fees</b>	are fees payable to third party service providers that provides travel related services on an ad hoc basis that is not directly provided by the TMC. These fees include visa fees and courier fees.
<b>Transaction Fee</b>	means the fixed negotiated fee charged for each specific service type e.g., international air ticket, charged per type per transaction per traveller.
<b>Traveller</b>	refers to a CoGHSTA official, consultant or contractor travelling on official business on behalf of CoGHSTA.

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<b>Travel Management Company</b>	or TMC refers to the Company contracted to provide travel management services (Travel Agents).
<b>Travel Voucher</b>	means a document issued by the Travel Management Company to the supplier to confirm the reservation and/or payment of specific travel arrangements.
<b>Value Added Services</b>	are services that enhance or complement the general travel management services e.g., Rules and procedures of the airports.
<b>VAT</b>	means Value Added Tax.
<b>VIP or Executive Service</b>	means the specialised and personalised travel management services to designated employees of CoGHSTA by a dedicated consultant to ensure a seamless travel experience.

### 3.2. Estimated travel volumes

3.2.1. The current CoGHSTA estimated volumes per annum includes air travel, accommodation, car hire, forex, conference, etc. The table below details the number of transactions for the FY 2023/24 as follows:

<b>Service Category</b>	<b>Estimated Number of Transactions per annum</b>
Air travel - Domestic	47
Air Travel - Regional & International	6
Car Rental – Domestic & Shuttle Services/ transfer - Domestic	31
Accommodation - Domestic	1117
Conferences/Events	25
Bus/Coach Booking	10
After-hours	111
<b>GRAND TOTAL</b>	<b>1347</b>

**Note:**

These figures are projections based on the current trends and they may change during the tenure of the contract.

The figures are meant for illustration purposes to assist the bidders to prepare their proposal.

### 3.3. Service requirements

The successful bidder(s) will be expected to execute and conduct the following services to the Department.

#### 3.3.1. General

3.3.1.1. Travel services will be provided to all travellers travelling on behalf of CoGHSTA, locally and internationally. This will include employees, contractors, consultants, and clients.

3.3.1.2. Provide travel management services during normal office hours (Monday to Friday 7h30 – 17h00) and provide after-hours and emergency services as stipulated in paragraph 3.1. **Any request (order) received before 17h00 should be regarded as normal hours.**

- 3.3.1.3. Familiarisation with current CoGHSTA travel business processes.
- 3.3.1.4. Assist with negotiations for better deals with travel service providers.
- 3.3.1.5. Familiarisation with current Travel management Framework and implementations of controls to ensure compliance.
- 3.3.1.6. Penalties incurred due to the inefficiency or fault of a travel consultant will be for the TMC's account, subject to the outcome of a formal dispute process.
- 3.3.1.7. Manage the third-party service providers by addressing service failures and complaints against these service providers.
- 3.3.1.8. Consolidate all invoices from travel suppliers.
- 3.3.1.9. Provide the reference letters from at least three (3) contactable existing/recent clients (within past 3 years) who have/had similar or higher travel volumes as CoGHSTA.
- 3.3.1.10. Group or bundling booking must carry one service cost.

**3.3.2. Reservations**

- 3.3.2.1 Receive travel requests from CoGHSTA, respond with quotations and availability. Upon the receipt of the purchase order, the travel agent will issue the required e-tickets and vouchers immediately and send it to the traveller via the agreed medium of communication i.e SMS or similar.
- 3.3.2.2 Always endeavour to make the most cost-effective travel arrangements based on the request from the Department.
- 3.3.2.3 Appraise themselves of all travel requirements for destinations to which travellers will be travelling, and advise the Department of alternative plans that are more cost effective and more convenient where necessary.
- 3.3.2.4 Obtain a minimum of three (3) price quotations (hotels, airlines and conference facilities, reputable shuttle and car rental, reputable bus coach) for all travel requests where the routing or destination permits.
- 3.3.2.5 Book the negotiated discounted fares and rates where possible.
- 3.3.2.6 Keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveller's official trip. ***When necessary, e-tickets and billing shall be modified and re-issued to reflect these changes.***
- 3.3.2.7 Respond timely and process all queries, requests, changes, and cancellations timeously and accurately.
- 3.3.2.8 Must be able to facilitate booking of venues for departmental events (i.e. meetings, MEC's events, workshop and conferencing). Booking of shuttle, air transport, car rental, bus coach, and accommodation for a group of travellers does not constitute conferencing service.
- 3.3.2.9 Issue all necessary travel documents, itineraries, and vouchers timeously to traveller(s) via SMS or similar prior to departure dates and times.
- 3.3.2.10 Advise the Traveller of all visa and inoculation requirements well in advance.

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- 3.3.2.11 TMC to provide relevant information to the Department where visas will be required.
- 3.3.2.12 Assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
- 3.3.2.13 Facilitate any reservations that are not bookable on the Global Distribution System (GDS).
- 3.3.2.14 Facilitate the bookings that are generated through TMC or third-party Online Booking Tool (OBT) where it can be implemented.
- 3.3.2.15 Negotiated prices for air travel, accommodation, car rental, etc. that are done directly by National Treasury are non-commissionable, where commissions are earned for CoGHSTA bookings all these commissions must not be claimed on the invoice.
- 3.3.2.16 Ensure confidentiality in respect of all travel arrangements and concerning all persons requested by CoGHSTA.
- 3.3.2.17 Submit proof that services have been satisfactorily delivered and submit invoices within 30 days of rendering the service to CoGHSTA.
- 3.3.2.18 Two (2) Hours - Turnaround time for receiving quotations – peak time to be considered 4 hours.

**3.3.3. Air Travel**

- 3.3.3.1. The TMC must be able to book full-service carriers as well as low-cost carriers.
- 3.3.3.2. The TMC will book the most cost-effective airfares possible for domestic, regional, and international travel.
- 3.3.3.3. For international flights, the airline which provides the most cost effective and practical routings may be used without causing hardship to the traveller.
- 3.3.3.4. The TMC should obtain three or more price quotations from airlines where applicable to present the most cost effective and practical routing to the Department.
- 3.3.3.5. The airline ticket should include the applicable airline agreement number as well as the individual loyalty program number of the Traveller (if applicable).
- 3.3.3.6. Airline tickets must be delivered electronically (SMS and/or email format) to the traveller(s) and the Department promptly after booking before the departure times.
- 3.3.3.7. The TMC must during their report period provide proof that bookings were made against the discounted rates on the published fares where applicable.
- 3.3.3.8. Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc.)
- 3.3.3.9. Assist with lounge access if and when required.
- 3.3.3.10. Booking of air transport service for a group of travellers does not constitute conferencing service and does not attract conferencing /event transaction fee.

**3.3.4. Accommodation**

- 3.3.4.1. The TMC will obtain price quotations within the maximum allowable rate matrix as per the cost containment instruction of the National Treasury.

- 3.3.4.2. The TMC will obtain three price quotations from accommodation establishments that provide the best available rate within the maximum allowable rate and that is located as close as possible to the venue or office or location or destination of the traveller.
- 3.3.4.3. This includes planning, booking, confirming, and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with CoGHSTA's travel policy.
- 3.3.4.4. CoGHSTA travellers may stay at accommodation establishments with which TMC has negotiated corporate rates. Should there be no rate agreement in place in the destination, or should the contracted establishment be unable to accommodate the traveller, the TMC will source suitable accommodation bearing in mind the requirement of convenience for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National Treasury.
- 3.3.4.5. Accommodation vouchers must be issued to all CoGHSTA travellers for accommodation bookings and must be invoiced to CoGHSTA as per arrangement that will be agreed upon during on-boarding. Such invoices must be supported by a copy of the original hotel accommodation charges and copy of the purchase order.
- 3.3.4.6. The TMC must during their report period provide proof, where applicable, that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.
- 3.3.4.7. Cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.
- 3.3.4.8. Pre-payments are occasionally required by service providers at short notice and even for same day bookings. In cases where prepayment is required for accommodation by the service provider, the pre-payment will be paid directly by the TMC without demanding prepayment from CoGHSTA. CoGHSTA shall pay the TMC on bill back within thirty (30) days of receipt of valid invoice from TMC. The quotations must include all service charges.
- 3.3.4.9. Booking of accommodation for a group of travellers does not constitute conferencing / event service and does not attract conferencing /event transaction fee.
- 3.3.5. **Car rental**
  - 3.3.5.1. The TMC will book the approved category vehicle in accordance with the CoGHSTA travel policy with the car rental service provider from the closest rental location (airport, hotel, and venue).
  - 3.3.5.2. The travel consultant should advise the traveller on the best time and location for collection and return considering the Traveller's specific requirements.
  - 3.3.5.3. The TMC must ensure that relevant information is shared with travellers regarding rental vehicles, toll fees, refuelling, keys, rental agreements, damages, and accidents, etc.
  - 3.3.5.4. The TMC must during their report period provide proof that negotiated rates were booked, where applicable.

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- 3.3.5.5. Pre-payments are occasionally required by service providers at short notice and even for same day bookings. In cases where prepayment is required for car rental by the service provider, the pre-payment will be paid directly by the TMC without demanding prepayment from CoGHSTA. CoGHSTA shall pay the TMC on bill back within thirty 30 days of receipt of valid invoice from TMC.
- 3.3.5.6. Booking of car rental for a group of travellers does not constitute conferencing / event service and does not attract conferencing /event transaction fee.
- 3.3.6. **Transfers / Shuttle – Domestic /Regional /International**
  - 3.3.6.1. The TMC will book transfers / shuttle in line with the CoGHSTA travel policy with the service providers.
  - 3.3.6.2. The TMC should manage shuttle companies on behalf of the CoGHSTA and ensure compliance with minimum standards.
  - 3.3.6.3. The TMC should also assist in negotiating better rates with relevant shuttle companies.
  - 3.3.6.4. Pre-payments are occasionally required by service providers at short notice and even for same day bookings. In cases where prepayment is required for transfers / shuttle by the service provider, the pre-payment will be paid directly by the TMC without demanding prepayment from CoGHSTA. CoGHSTA shall pay the TMC on bill back within thirty 30 days of receipt of valid invoice from TMC.
  - 3.3.6.5. Booking of transfers / shuttle for a group of travellers does not constitute conferencing / event service and does not attract conferencing /event transaction fee.
- 3.3.7. **Bus coach service**
  - 3.3.7.1. The TMC will book bus coach service in line with the CoGHSTA travel policy with the service providers.
  - 3.3.7.2. The TMC should manage bus/coach Company on behalf of CoGHSTA and ensure compliance with minimum standards.
  - 3.3.7.3. The TMC should also assist in negotiating better rates with relevant bus coach companies.
  - 3.3.7.4. Pre-payments are occasionally required by service providers at short notice and even for same day bookings. In cases where prepayment is required for bus coach by the service provider, the pre-payment will be paid directly by the TMC without demanding prepayment from CoGHSTA. CoGHSTA shall pay the TMC on bill back within thirty 30 days of receipt of valid invoice from TMC.
  - 3.3.7.5. Booking of bus coach for a group of travellers does not constitute conferencing / event service and does not attract conferencing /event transaction fee.
- 3.3.8. **Conferencing / events**
  - 3.3.8.1. The TMC shall arrange and book conferencing and events for CoGHSTA.
  - 3.3.8.2. TMC shall ensure that suppliers of conferencing/events service deliver a service in time.

- 3.3.8.3. Pre-payments are occasionally required by service providers at short notice and even for same day bookings. In cases where prepayment is required for conferencing by the service provider, the pre-payment will be paid directly by the TMC without demanding prepayment from CoGHSTA. CoGHSTA shall pay the TMC on bill back within thirty 30 days of receipt of valid invoice from TMC.

**3.3.9. Visa**

- 3.310.1. TMC will be responsible for application and issuance of visa for all CoGHSTA travellers, where applicable.
- 3.310.2. Should payment be required prior to issuance of the visa by the foreign mission in the Republic of South Africa, the TMC shall directly pay for it and billback CoGHSTA. CoGHSTA shall pay the TMC on bill back within thirty 30 days of receipt of valid invoice from TMC.
- 3.310.3. Application and issuance of visa for a group of travellers does not constitute conferencing / event service and does not attract conferencing /event transaction fee.

**3.3.10. VIP client services**

- 3.3.10.1. VIP Client Services, including: Personalised service to the Office of the MEC, Kingship and Queenship, Chairperson and Deputy Chairperson of the House of Traditional Leaders, physical security official and support staff to service the MEC.

**3.3.11. After-hours and emergency service**

- 3.3.11.1. After-hours service must be provided Monday to Friday from 17h00 to 07h30 and twenty-four (24) hours on weekends and Public Holidays.
- 3.3.11.2. After-hours service fee is chargeable on the booking made and transaction concluded/actioned during after-hours and not on a telephone call made.
- 3.3.11.3. The TMC must provide a consultant or team of consultants to assist travellers with after-hours and emergency reservations and changes to travel plans.
- 3.3.11.4. A dedicated consultant/s must be available to assist VIP/Executive and all travellers with after-hours or emergency assistance.
- 3.3.11.5. After-hours contact number should be available to all travellers so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.
- 3.3.11.6. The TMC must have a standard operating procedure that includes but not limited to the management of after-hours and emergency services.

**3.3.12. Management of Complaints and Resolution of Queries & Escalations**

- 3.3.12.1. The bidder must have in place a clear established queries, escalations and complaints management process which includes acknowledgement within 2 hours, investigation, and provision of a written report within three (3) business days indicating the root cause analysis of each incident and mitigation strategies to be implemented to prevent recurrence which must be sent to CoGHSTA.
- 3.3.12.2. The bidder must describe how the queries and complaints resolution process will be handled within 24 hours.

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- 3.3.12.3. The bidder must provide feedback to the complainant and CoGHSTA regarding progress in the resolution of the complaint, within the turnaround times specified by CoGHSTA.
- 3.3.12.4. A detailed complaints and compliments register must be maintained by the bidder.
- 3.3.12.5. Failure to provide the above, the Department will impose penalties in line with the dispute resolution process.

### 3.4. Communication

- 3.4.1. The TMC may be requested to conduct workshops and training sessions for travel bookers of CoGHSTA.
- 3.4.2. All enquiries must be investigated, and prompt feedback be provided in accordance with the Service Level Agreement.
- 3.4.3. The TMC must ensure sound communication with all stakeholders.

### 3.5. Reporting

- 3.5.1 The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.
- 3.5.2 The implementation of an online booking tool to facilitate bookings should be used to optimise the services and related fees.
- 3.5.3 All management information and data input must be accurate.
- 3.5.4 The TMC will be required to provide CoGHSTA with a minimum of three (3) standard monthly reports that are in line with the National Treasury's Cost Containment Instructions reporting template requirements at no cost.
- 3.5.5 Reports must be accurate and be provided as per CoGHSTA's specific requirements at the agreed time. Information must be available on a transactional level that reflect details including the name of the traveller, date of travel, spend category (example air travel, shuttle, accommodation) and order number.
- 3.5.6 CoGHSTA may request the TMC to provide additional management reports.
- 3.5.7 Reports must be available in an electronic format for example Microsoft Excel.
- 3.5.8 Service Level Agreements reports must be provided on the agreed date. It will include but will not be limited to the following:

#### 3.5.8.1. Travel

- 3.5.8.1.1. After hours' report.
- 3.5.8.1.2. Compliments and complaints.
- 3.5.8.1.3. Long term accommodation and car rental.
- 3.5.8.1.4. Upgrade of class of travel (air, accommodation, and ground transportation).
- 3.5.8.1.5. Bookings outside Travel Policy.
- 3.5.8.1.6. Change fee report.

#### 3.5.8.2. Finance

- 3.5.8.2.1. Reconciliation of commissions/rebates or any volume driven incentives.
- 3.5.8.2.2. Creditor Age Analysis report.
- 3.5.8.2.3. Creditor's summary payments.
- 3.5.8.2.4. Daily invoices.
- 3.5.8.2.5. No show report.
- 3.5.8.2.6. Cancellation report.
- 3.5.8.2.7. Receipt delivery report.
- 3.5.8.2.8. Refund Log.

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- 3.5.8.2.9. Open voucher report, and
- 3.5.8.2.10. Open Age Invoice Analysis.
- 3.5.8.2.11. Air-ticket refund report.
- 3.5.8.2.12. The TMC will implement all the necessary processes and programs to ensure that all the data is secure at all times and not accessible by any unauthorised parties.

### **3.6. Account Management**

- 3.6.1. An account Management structure should be put in place to respond to the needs and requirements of CoGHSTA and act as a liaison for handling all matters with regard to delivery of services in terms of the contract.
- 3.6.2. The TMC must provide a dedicated Account Manager that is ultimately responsible for the management of the CoGHSTA's account.
- 3.6.3. The necessary processes should be implemented to ensure good quality management and ensuring Traveller satisfaction at all times.
- 3.6.4. A complaint handling procedure must be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.
- 3.6.5. Ensure that the CoGHSTA's travel policy is enforced.
- 3.6.6. The Service Level Agreement (SLA) must be managed, and customer satisfaction surveys conducted to measure the performance of the TMC.
- 3.6.7. Ensure that workshops/training is provided to Travel Bookers.
- 3.6.8. During reviews, comprehensive reports on the travel spend and the performance in terms of the SLA must be presented.
- 3.6.9. Monthly meetings between CoGHSTA and TMC to discuss the status of the account.
- 3.6.10. Turnaround time to address queries.

### **3.7. Value Added Services**

The TMC may provide the following value-added services:

- 3.7.1. Destination information for regional and international destinations:
  - 3.7.1.1. Health warnings.
  - 3.7.1.2. Weather forecasts.
  - 3.7.1.3. Places of interest.
  - 3.7.1.4. Visa information.
  - 3.7.1.5. Travel alerts.
  - 3.7.1.6. Location of hotels and restaurants.
  - 3.7.1.7. Information including the cost of public transport.
  - 3.7.1.8. Rules and procedures of the airports.
  - 3.7.1.9. Business etiquette specific to the country.
  - 3.7.1.10. Airline baggage policy; and
  - 3.7.1.11. Supplier updates
- 3.7.2. Electronic voucher retrieval via web and smart phones.
- 3.7.3. SMS notifications for travel confirmations.
- 3.7.4. Travel audits.
- 3.7.5. Global Travel Risk Management.
- 3.7.6. VIP services for Executives that include but is not limited to check-in support.

### **3.8. Cost Management**

- 3.8.1. The National Treasury cost containment initiative and the CoGHSTA's travel policy is establishing a basis for a cost savings culture.

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- 3.8.2. It is the obligation of the TMC consultant to advise on the most cost-effective option at all times, and costs should be within the framework of the National Treasury's cost containment instructions.
- 3.8.3. The TMC plays a pivotal role to provide high quality travel related services that are designed to strike a balance between effective cost management, flexibility, and traveller satisfaction.
- 3.8.4. The TMC should have in-depth knowledge of the relevant supplier(s)' products, to be able to provide the best option and alternatives that are in accordance with CoGHSTA's Travel Policy to ensure that the Traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost effectively and in time to carry out his/her business.

### **3.9. Quarterly and Annual Travel Reviews**

- 3.9.1. Quarterly reviews are required to be presented by the Travel Management Company on all CoGHSTA travel activity in the previous three-month period. These reviews are comprehensive and presented to CoGHSTA as part of the performance management reviews based on the service levels.
- 3.9.2. Annual Reviews are also required to be presented to CoGHSTA.
- 3.9.3. These travel reviews will include without limitation the following information:
  - 3.9.3.1. spend and transactions report on various travel service categories.
  - 3.9.3.2. spend report per supplier.
  - 3.9.3.3. booking timelines.
  - 3.9.3.4. savings.
  - 3.9.3.5. after hours
  - 3.9.3.6. age analysis

### **3.10. Office Management**

- 3.10.1. The TMC to ensure high quality service to be delivered at all times to CoGHSTA travellers.
- 3.10.2. The TMC is required to provide CoGHSTA with skilled and qualified travel consultants, subject to increase or decrease based on travel volumes.

### **3.11. Pricing model**

The Department of CoGHSTA requires the proposed pricing fee model to be fully completed by the Bidders.

### **3.12. Volume driven incentives**

It is important for bidders to note the following when determining the pricing:

- 3.12.1. National Treasury has negotiated non-commissionable fares and rates with various airlines carriers and other service providers.
- 3.12.2. No override commissions earned through CoGHSTA reservations will be paid to the TMCs.
- 3.12.3. TMC is to book these negotiated rates or the best fare available, whichever is the most cost effective for the institution.

## **4. SPECIAL CONDITIONS OF CONTRACT**

To achieve the above the successful bidder will be required to meet the following requirements:

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- 4.1. The service provider(s) may not recruit or shall not attempt to recruit an employee of the Department of CoGHSTA for purposes of preparation of the BID or for the duration of the execution of this contract or any part thereof.
- 4.2. Supplier due diligence – CoGHSTA reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

**5. SERVICE LEVEL AGREEMENT**

- 5.1. Upon award CoGHSTA and the successful bidder will conclude a Service Level Agreement regulating the specific terms and conditions applicable to the services being procured by CoGHSTA, more or less in the format of the draft Service Level Indicators included in this tender pack.
- 5.2. CoGHSTA reserves the right to vary the proposed draft Service Level Indicators during the course of negotiations with a bidder by amending or adding thereto (Annexure A2).
- 5.3. Bidder(s) are requested to:
  - 5.3.1. Comment on draft Service Level Indicators and where necessary, make proposals to the indicators.
  - 5.3.2. Explain each comment and/or amendment.
- 5.4. CoGHSTA reserves the right to accept or reject any or all amendments or additions proposed by a bidder if such amendments or additions are unacceptable to CoGHSTA or pose a risk to the organisation.

**6. TENDER DELIVERABLES / OUTPUTS AND TIMEFRAMES**

- 6.1. The primary deliverables to be achieved.
  - 6.1.1. The TMC will be required to render the travel management services listed from item 3 under the scope of work detailed on above.
- 6.2. **Logistics and timing**
  - 6.2.1. **Project location(s):**  
The Department of CoGHSTA Head Office, District offices and Traditional Councils.
  - 6.2.2. **Expected commencement date:**  
The service will be required as per contract commencement date.
  - 6.2.3. **Project period:**  
The contract shall be valid for a period of thirty -six (36) months.
  - 6.2.4. **Bid proposal**
    - 6.2.4.1. Service Provider must provide a properly referenced bid proposal in response to this TOR document with clear headings and information required to evaluate the bid against the requirements stipulated in this TOR document. The bid proposal response must indicate the following:
      - 6.2.4.1.1. The bidding company's profile, including proof of compliance with all the requirements as per the TOR document,
      - 6.2.4.1.2. The pricing schedule as per Annexure A1.
      - 6.2.4.1.3. Where substantiations are required, a certified copy of certification or proof is required to be attached to the bid response.

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#### **6.2.5. Fee structure**

6.2.5.1. For transaction fees, Pricing Schedule

6.2.5.1.1. The transaction fee must be a fixed amount per service.

### **7. EVALUATION CRITERIA**

This bid will be evaluated in terms of the Preferential Procurement Policy Framework Act (Act No. 5 of 2000), 2022 Regulation, Departmental Procurement Preferential Policy and related regulations as follows:

#### **The bid will be evaluated in four (4) phases namely:**

Phase 1: Bid Conditions (Phase 1a: Administrative Compliance and Phase 1b: Mandatory Compliance)

Phase 2: Technical/Functionality Evaluation.

Phase 3: Physical site inspection.

Phase 4: Price and Specific Goals

The Department reserves the right to accept all, some, or none of the bids submitted – either wholly or in part.

**Note: all standard bidding forms (SBD) attached should be returned in their original format.**

#### **7.1 Phase 1a: Administrative Compliance**

The following returnable documents and requirements should be adhered to and be provided in the proposals:

7.1.1 Proof of Company Registration (CK) must be submitted.

7.1.2 Certified ID copy of director(s), not older than six (6) months.

7.1.3 Completed and signed Standard Bid Document (SBD1) which form part of the tender document.

7.1.4 Completed and signed SBD 6.1 which form part of the tender. Failure to fully complete and provide supporting documents will result in zero Specific Goals points. Supporting documents to be submitted as certified copies not older than six months.

7.1.5 Completed and signed SBD 3.1 which form part of the tender and should be accompanied by a signed Price Proposals / Cost Breakdown on the Company's letterhead.

**NOTE: The successful bidder(s) will be required to sign SBD 7.2 Contract form.**

#### **7.2 Phase 1b: Mandatory Compliance**

The following returnable documents and requirements must be adhered to and be provided in the proposals; failure to comply will result in an offer being disregarded and not considered for further evaluation:

7.2.1 In bids where Consortia / Joint Ventures / Sub-contractors are involved, the following must be adhered to:

7.2.1.1 Submit separate CSD reports.

7.2.1.2 Attach Consortia / Joint Ventures / Sub-contractors agreement indicating the lead partner.

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- 7.2.1.3 Attach supporting documents of the lead partner for the purpose of specific goals.
- 7.2.2 Signed company resolution / letter of authority indicating signatory must be attached.
- 7.2.3 Completed and signed Standard Bid Document (SBD4) which form part of the tender document.
- 7.2.4 Signed price proposals must be submitted on the company letterhead, a breakdown of the price must be as per **Annexure A1 (Pricing Schedule)**:
  - 7.2.4.1 The price proposal must be indicative of all items as per **Annexure A1 (Pricing Schedule)**.
  - 7.2.4.2 Conferencing should be as a percentage. (**Annexure A1 (Pricing Schedule)**).
  - 7.2.4.3 Price should be inclusive of VAT (*where applicable*).
  - 7.2.4.4 Price should be firm as the Department will not allow any increases after appointment.
  - 7.2.4.5 The Department will negotiate all prices of all qualifying service providers to match the price of the one who scored 80 points price (lowest price).
- 7.2.5 Attached CV(s) and reference letter(s) from previous/current employer(s), certified copies of qualification (minimum National Diploma in Travel and Tourism), of the technical team (**Travel Consultant**) should not be older than six (6) months. It is the bidder's responsibility to have foreign qualifications evaluated by the South African Qualification Authority (SAQA) and submit proof of SAQA accreditation.
- 7.2.6 Attach certified copy of IATA license/certificate, in case of third-party certificate, a copy of IATA certificate of third party and agreement between bidder and third party must be submitted.
- 7.2.7 Closing time for all bids is 11h00 on the closing date. Bids received after the specified closing time on the closing date shall be regarded as late and will not be accepted.
- 7.2.8 Bids submitted through e-mail or fax will not be considered.
- 7.2.9 Each bid should be lodged in a separate sealed envelope with the name and address of the bidder, bid number and closing date.
- 7.2.10 Bidders should make use of the prescribed bid documents. Do not retype or copy.
- 7.2.11 Use of tippex is prohibited.
- 7.2.12 No amendments without initializing will be accepted.
- 7.2.13 The department will not enter into a contract with service provider(s) who are not registered on the Centralized Supplier Database (CSD).
- 7.2.14 Deviation from Specifications/Terms of Reference is not permitted.

**NB: Annexure A1 (Pricing Schedule): An electronic copy will be made available on the departmental website.**

### **7.3 Phase 3: Technical/Functionality Evaluation.**

100% (80 points) will be allocated for technical requirements in accordance with the following rating scale:

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0 = Very Poor, 1 = Poor, 2 = Average, 3 = Good, 4 = Very Good, 5 = Excellent

With regard(s) to functionality the following criteria will be applicable, and the maximum weight of each criterion is indicated hereunder:

<b>Evaluation Criteria:</b>			<b>Points</b>
<b>Demonstrate the experience in Travel Management Services:</b> (Attach signed reference letters with the letterhead(s) of institutions where the previous work was completed, with contactable numbers).	<b>Travel Management Services experience</b>  5 years and more = 5 = 20 points 4 but less than 5 years = 4 = 16 points 3 but less than 4 years = 3 = 12 points 2 but less than 3 years = 2 = 08 points 1 but less than 2 years = 1 = 04 points 0 years but less than 1 years = 0 = 00 points		<b>20</b>
<b>List of previous Travel Management Services rendered:</b>  (Attach signed purchase order(s) that indicates the date and the amount. Purchase order(s) must be on the letterhead(s) of institutions where the work was completed, with contactable reference)	<b>Previous Travel Management Services total amount</b>  R800 000.00 and more = 5 = 40 points R600 000.00 but less than R800 000.00 = 4 = 32 points R400 000.00 but less than R600 000.00 = 3 = 24 points R200 000.00 but less than R400 000.00 = 2 = 16 points R100 000.00 but less than R200 000.00 = 1 = 08 points R0.00 but less than R100 000.00 = 0 = 00 points		<b>40</b>
<b>Criteria B: Experience of technical team (Travel Consultant)</b>			
<b>Criteria</b>	<b>Means of Verification</b>	<b>Relevant Work Experience</b>	<b>Points</b>
Travel Consultant work experience	CV(s) and reference letter(s) from previous/current employer(s) with contactable numbers, <i>as per item 7.2.5 above.</i>	<b><u>Relevant experience in Travel Management Services</u></b>  Rating scale 5 (5 years and above = 20 points) Rating scale 4 (4 but less than 5 year = 16 points) Rating scale 3 (3 but less than 4 years = 12 points) Rating scale 2 (2 but less than 3 years = 08 points) Rating scale 1 (1 but less than 2 years = 04 points) Rating scale 0 (below 1 year = 00 points)	<b>20</b>
<b>GRAND TOTAL</b>			<b>80</b>

**IMPORTANT NOTE:**

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**A bid which scores less than 60% in respect of the requirements in Technical or Functionality Evaluation will be deemed to be non-responsive.**

#### 7.4 Phase 3: Physical site inspection

Premises of all shortlisted service providers will be inspected by Departmental staff members to verify their existence and compliance. (The Department must be informed in writing should service provider(s) change their office address).

The following must be adhered to, failure to comply will result in your offer not being considered for further evaluation:

##### 7.4.1 Active Travel Management Company office with:

- 7.4.1.1 Office desk
- 7.4.1.2 Office chair
- 7.4.1.3 Visitors' chairs
- 7.4.1.4 Any type of computer
- 7.4.1.5 Internet connection

#### 7.5 Phase 4: Price and Specific goals

In terms of the Preferential Procurement Policy Framework Act (Act No. 5 of 2000) and related regulations as follows: **the 80/20 preference points system is applicable for the acquisition of goods or services for rand value equal to or below R50 million.**

The adjudication of this bid will be based on the 80/20-point scoring system.

##### 7.5.1 Price

Price will be allocated points out of 80 in respect of this invitation, inclusive of all applicable taxes.

**NB: Annexure A1 (Pricing Schedule): An electronic copy will be made available on the departmental website.**

##### 7.5.2 Specific Goals

A maximum of 20 points may be awarded for the specific goals specified hereunder.

The following specific goals with verifiable means of verification and applicable points will be utilised for awarding of points:

Ownership	Means of verification	Points
Limpopo Province	Latest (not older than three months) Municipal Account/Traditional Council letter	6
Black People	Valid Sworn Affidavit	2
Youth	Certified ID copy (not older than six months)	4
Women	Certified ID copy (not older than six months)	4
Persons with Disability	Disability verification letter from a medical practitioner indicating the practice number	2
SMME's	Company registration	2
<b>Total</b>		<b>20</b>

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The tenderer must indicate how they claim points for each preference point system on the SBD 6.1 form.

The points scored by a tenderer in respect of the Specific Goals will be added to the points scored by the said tenderer for price.

#### 8. COMPULSORY BRIEFING SESSION

A meeting between prospective bidders and the Department for bid clarification purposes will be arranged within seven (07) days after the bid has been published in the Limpopo Provincial Tender Bulletin and Departmental website.

#### 9. SUBMISSION PROCEDURE

All bids must be submitted in the Bid Box @ 20 Rabe Street, Cnr Landdros Mare & Rabe Streets, Polokwane addressed to:  
The Chief Director  
Supply Chain Management  
Department of Co-operative Governance, Human Settlements & Traditional Affairs  
Private Bag X9485  
Polokwane  
0700


#### 10. ENQUIRIES

Should additional information or clarification be required regarding the terms of reference before the closing date of bid, contact may be made through telephone or email with the following officials:


NAME	TELEPHONE	EMAIL ADDRESS
<b>Technical Enquiries</b>		
Phiri JM	015 294 2140	PhiriJM@coghsta.limpopo.gov.za
<b>Administrative Enquiries</b>		
Mokalapa MJ	015 294 2278	MokalapaMJ@coghsta.limpopo.gov.za
Masanya JT	015 294 2310	MasanyaJT@coghsta.limpopo.gov.za
Masemola SS	015 294 2024	MasemolaSS@coghsta.limpopo.gov.za

#### DEPARTMENTAL BID SPECIFICATION COMMITTEE SIGNATURES

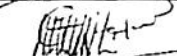
Chairperson

: 

Deputy Chairperson

: 

Member

: 

HOD

: 

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**THE NATIONAL TREASURY**

**Republic of South Africa**



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**GOVERNMENT PROCUREMENT:  
GENERAL CONDITIONS OF CONTRACT**

**July 2010**

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**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**NOTES**

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:
  - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 "Day" means calendar day.
  - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
  - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
  - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such

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obligations of the supplier covered under the contract.

1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

**2. Application**

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

**3. General**

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.gtb.co.za](http://www.gtb.co.za).

**4. Standards**

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

**5. Use of contract documents and information; inspection.**

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

**6. Patent rights**

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

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**7. Performance security**

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
  - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

**8. Inspections, tests and analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or

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analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

**9. Packing**

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

**10. Delivery and documents**

- 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.
- 10.2 Documents to be submitted by the supplier are specified in SCC.

**11. Insurance**

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

**12. Transportation**

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

**13. Incidental services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

#### 14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
  - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

#### 15. Warranty

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

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such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

**16. Payment**

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

**17. Prices**

- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

**18. Contract amendments**

- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

**19. Assignment**

- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

**20. Subcontracts**

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

**21. Delays in the supplier's performance**

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

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supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## 22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

## 23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any

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person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

#### 24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which

may be due to him

**25. Force Majeure**

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination for insolvency**

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

**27. Settlement of Disputes**

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of liability**

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6:

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

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		(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1	The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	31.1	Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
	31.2	The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
32. Taxes and duties	32.1	A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
	32.2	A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
	32.3	No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
33. National Industrial Participation Programme (NIP)	33.1	The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34. Prohibition of Restrictive practices	34.1	In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
	34.2	If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

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